



State of Utah

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DWS News Release

For 9:00 a.m. Release

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UTAH'S EMPLOYMENT SITUATION: October 2005

Utah's seasonally-adjusted unemployment rate for October registered 4.5 percent, down 0.6 percentage points from the unemployment rate of 5.1 percent registered a year ago in October 2004. Approximately 55,800 Utahns were unemployed in October 2005 as compared to 62,000 in October 2004. September's unemployment rate is revised up to 4.7 percent from the previous 4.6 percent measurement.

Utah's other primary indicator of current labor market conditions, the year-over change in the number of nonfarm wage and salaried jobs, registered 3.5 percent. This is a continuation of growth rates that have hovered in the mid 3-percent range for the past five months. September's growth rate is unrevised and remains at 3.6 percent.

Mark Knold, Senior Economist for the Department of Workforce Services commented, "October's numbers keep Utah's economy moving along at a healthy level. High gas prices and the other effects of hurricanes Katrina and Rita have not brought economic storm clouds west. The winter months don't offer much in the way of potential hurdles. Gasoline prices are down to pre-Katrina levels. Natural gas prices, we are told, will be significantly higher this winter, but it will be at least two months before consumers see that impact on their bills. And even then, these high energy prices just don't seem to be enough to derail Utah's strong economic climate."

Since October 2004, the United States economy has added 1.9 million new jobs — a growth rate of 1.4 percent. This is down from 1.8 percent just a few months ago. This slowing will turn out to be a short-lived consequence of hurricanes Katrina and Rita. Over the past month, Utah's economy added approximately 39,600 new jobs, a growth rate of 3.5 percent. The Utah additions represent about 2.8 percent of all the new jobs added in the United States over the past year. The United States' unemployment rate moved down slightly to 5.0 percent.

All industries continue to add more workers in Utah. Construction and professional and business services continue to lead the way. The number of jobs added over the past year in professional and business services slowed a bit, while the rate of construction employment growth is accelerating.

Construction has now added approximately 9,700 new jobs over the course of the last year. This volume of growth has increased steadily as 2005 has progressed, and is now the highest rate of construction growth — 12.6 percent — seen in ten years. Along with solid housing growth, there are commercial and industrial projects aplenty. The largest volume of construction

growth is in Salt Lake, Washington, Utah, and Davis counties. But across the entire state, it is only a very small number of counties that are not experiencing growth in their construction employment. Construction's gains are widespread across the state.

The professional and business services sector added 7,700 new jobs over the past year. This is the second largest increase of new jobs, but this sector's rate of growth is slowing a bit. It still presents a commendable 5.5 percent rate of growth, but that growth rate was 6 percent and higher looking back through much of 2005. This slowing is not a nascent sign of weakening in this industry. Instead, it is a reflection of comparing against a strengthening year-ago performance. Therefore, the gap between this year and last year will lessen, producing a decreasing growth rate.

Other sectors with solid growth over the past year include government, trade/transportation/utilities, education, and healthcare. The information sector and financial activities are just recently showing a noticeable rise in their employment levels.

Utah's growth is not only industrially diverse but also dispersed across its counties. Only a handful of small counties are not experiencing employment growth, such as Rich, Morgan, and Piute counties. Over two-thirds of the state's counties are seeing employment growth. Tooele, Juab, and Wasatch counties have year-over employment growth rates exceeding 10 percent. These are counties sitting on the periphery of the metropolitan Wasatch Front, and their growth is directly related to their proximity and spillover from the metropolitan areas.

Washington County (the St. George area) growth has "slowed" to around 8.5 percent. This is sizzling in its own right, but earlier in the year growth was running at over 10 percent. That's an unrealistic growth rate to expect to maintain, so Washington County's slight moderation is a movement toward a more sustainable economic environment.

Uintah County is one worth mentioning. Employment growth is moving along at nearly 8 percent. That kind of growth takes one back to the energy boom of the 1970s. That's exactly what's happening again. Oil and gas activities are the driving factor there. These are found in the natural resources sector, and half of its 900 new positions are centered in Uintah County.

Salt Lake County, the state's economic heart, saw its economy grow by nearly 3 percent. Salt Lake County took a longer time to rebound from the early 2000s recession than did nearly all other counties. Earlier in the year employment growth was still quite weak in the county while many other counties already had multiple months of strong economic growth. But Salt Lake County has picked up steam as this year has progressed. Even at that, the county's total employment count has just now returned to the previous employment peak it achieved prior to the recession's onset around January 2001. That marks a four-year dip in employment numbers.

Utah's November employment numbers will be released at 9:00 a.m. on Tuesday, December 13, 2005.

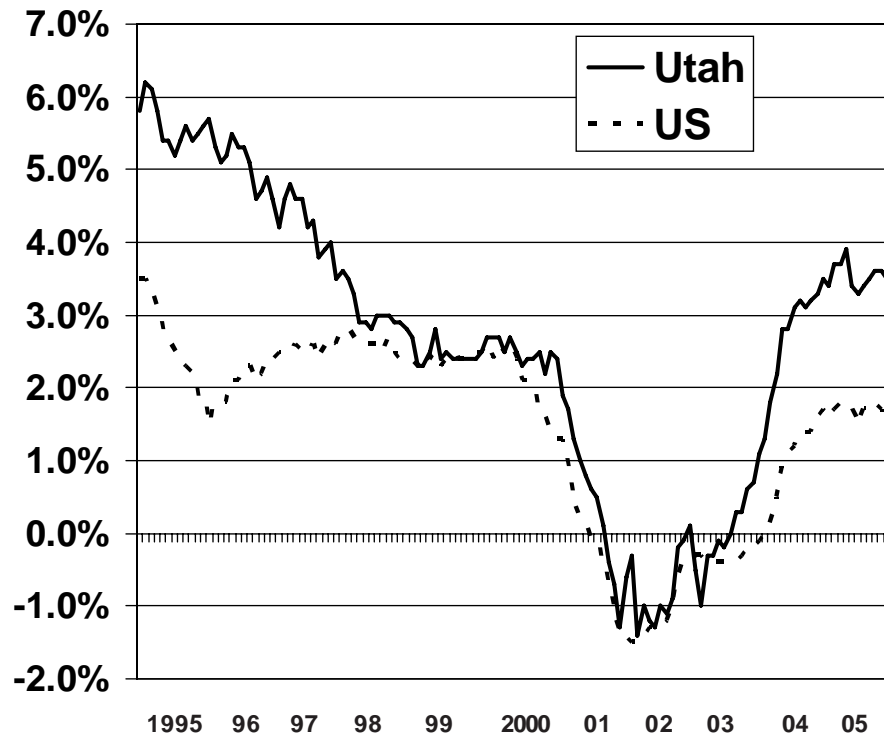
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Utah Nonagricultural Jobs by Industry and Components of the Labor Force

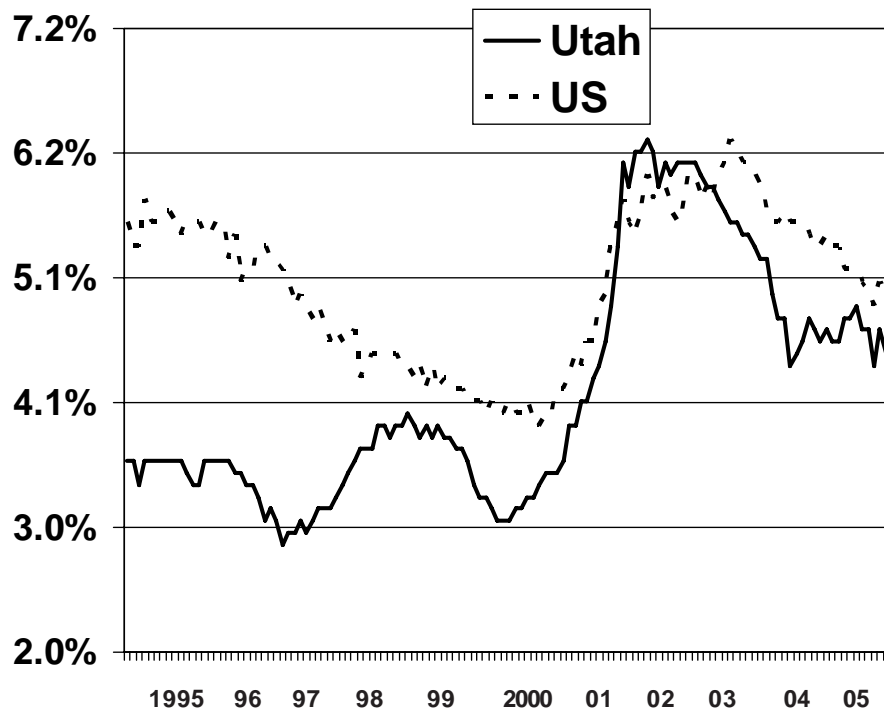
Numbers are in thousands and are <u>not seasonally adjusted.</u>	October(f) 2005	October 2004	Percentage Change	Sept.(r) 2005	Sept. 2004	Percentage Change
CIVILIAN LABOR FORCE	1,251.0	1,214.8	3.0	1,245.2	1,207.6	3.1
Employed	1,197.6	1,155.4	3.7	1,189.5	1,148.8	3.5
Unemployed	53.4	59.4	-10.1	55.7	58.8	-5.3
Unemployment Rate	4.3	4.9		4.5	4.9	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,162.6	1,123.0	3.5	1,157.2	1,117.2	3.6
GOODS PRODUCING	213.7	200.4	6.6	213.1	200.8	6.1
Natural Resources, and Mining	8.3	7.4	12.2	8.2	7.4	11.0
Construction	86.8	77.1	12.6	86.6	77.6	11.5
Construction of Buildings	18.7	16.9	11.3	18.5	17.0	9.0
Heavy and Civil Engineering	9.6	8.5	13.1	9.4	8.6	
Specialty Trade Contractors	58.5	51.7	13.0	58.6	52.0	12.7
Manufacturing	118.6	115.9	2.3	118.3	115.8	2.2
Durable Goods	78.8	76.5	3.0	78.5	76.5	2.6
Primary and Fabricated Metals	15.2	14.6	4.1	15.3	14.6	4.7
Computer and Electronic Products	10.9	10.9	0.0	11.0	10.9	0.6
Transportation and Equipment Manufacturing	14.5	13.9	4.1	14.5	13.9	4.4
Non-Durable Goods	39.8	39.5	0.9	39.8	39.3	1.5
Food Manufacturing	13.6	14.0	-3.0	13.4	13.8	-3.1
Printing and Related Support Activities	7.1	7.0	1.0	7.1	6.9	3.4
SERVICES PROVIDING	948.9	922.6	2.8	944.1	916.4	3.0
Trade, Transportation, and Utilities	226.9	222.0	2.2	225.2	219.8	2.4
Wholesale Trade	43.0	41.6	3.4	42.7	41.4	3.2
Retail Trade	136.6	134.9	1.2	135.7	133.5	1.7
Motor Vehicle and Parts Dealers	17.0	16.6	2.5	17.2	16.7	2.8
Food and Beverage Stores	22.2	22.2	0.1	22.5	22.4	0.2
General Merchandise Stores	27.3	27.5	-0.7	26.4	26.9	-2.0
Transportation and Utilities	47.3	45.5	3.9	46.8	45.0	4.1
Utilities	3.9	3.9	0.5	3.9	3.8	1.5
Transportation & Warehousing	43.4	41.6	4.3	42.9	41.2	4.3
Air Transportation	6.8	5.9	14.1	6.8	5.9	15.4
Truck Transportation	17.6	17.7	-0.2	17.6	17.7	-0.5
Information	32.0	30.3	5.8	31.7	30.0	5.7
Publishing Industries	8.8	8.5	2.7	8.8	8.5	2.8
Motion Picture and Sound Recording	4.5	4.4	2.8	4.4	4.4	0.4
Telecommunications	6.0	5.8	4.0	5.9	5.7	4.2
Internet Service Providers	8.1	7.0	15.0	8.1	6.9	17.1
Financial Activities	67.3	65.6	2.6	66.9	65.2	2.7
Finance and Insurance	51.0	49.9	2.1	50.8	49.7	2.2
Real Estate and Rental and Leasing	16.3	15.7	4.1	16.2	15.5	4.3
Professional and Business Services	149.2	141.5	5.5	147.3	138.8	6.1
Professional, Scientific, and Technical Services	55.5	52.3	6.2	54.7	51.2	7.0
Architectural, Engineering, and Related	10.7	10.1	6.0	10.7	10.1	6.5
Computer Systems Design and Related	11.5	11.2	2.6	11.4	10.9	4.1
Management of Companies and Enterprises	21.0	20.9	0.5	20.9	20.9	0.0
Administration & Support						
& Waste Management & Remediation	72.7	68.3	6.4	71.7	66.8	7.4
Employment Services	24.7	21.7	13.7	24.3	20.7	17.1
Business Support Services	16.4	16.8	-2.8	16.1	15.9	1.3
Education and Health Services	130.9	126.4	3.6	129.7	125.2	3.6
Educational Services	30.1	29.3	3.0	29.0	28.2	2.7
Health Services and Social Assistance	100.8	97.2	3.7	100.7	97.0	3.8
Ambulatory Health Care Services	38.6	36.7	5.3	38.4	36.6	4.9
Hospitals	29.2	28.5	2.3	29.4	28.5	3.2
Nursing and Residential Care Facilities	18.7	18.2	2.8	18.8	18.1	3.5
Social Assistance	14.3	13.8	3.8	14.2	13.8	2.5
Leisure and Hospitality	103.1	101.0	2.0	106.2	104.0	2.1
Arts, Entertainment, and Recreation	15.5	15.1	2.4	16.2	15.4	5.1
Accommodation and Food Services	87.6	85.9	2.0	90.0	88.6	1.6
Accommodation	16.3	15.9	2.6	17.2	16.8	2.3
Food Services and Drinking Places	71.2	70.0	1.8	72.8	71.8	1.5
Other Services	33.4	32.8	1.9	33.6	33.1	1.6
Government	206.1	203.0	1.5	203.5	200.3	1.6
Federal Government	34.7	34.6	0.3	35.1	34.9	0.6
Federal Defense	16.4	15.9	3.0	16.3	16.0	2.4
Other Federal Government	18.3	18.7	-2.0	18.7	18.9	-0.8
State Government	64.6	62.6	3.2	64.0	62.1	3.1
State Schools	35.9	35.1	2.3	35.3	34.5	2.2
Other State Government	28.7	27.5	4.4	28.7	27.6	4.2
Local Government	106.8	105.8	0.9	104.4	103.4	1.0
Local Education	62.8	61.8	1.7	59.7	58.6	1.9
Other Local Government	44.0	44.1	-0.2	44.7	44.8	-0.3

Source: Utah Department of Workforce Services f = forecast r = revised November 15, 2005

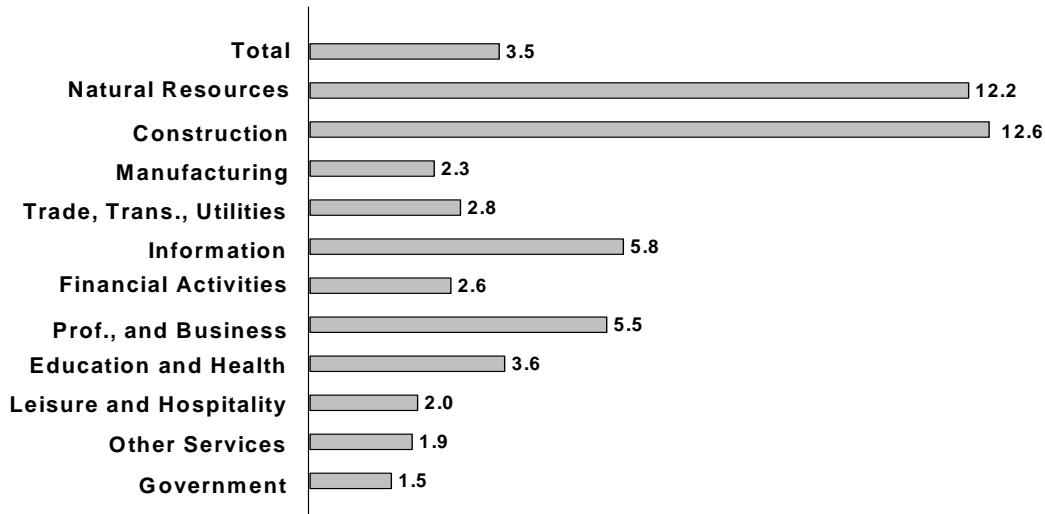
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

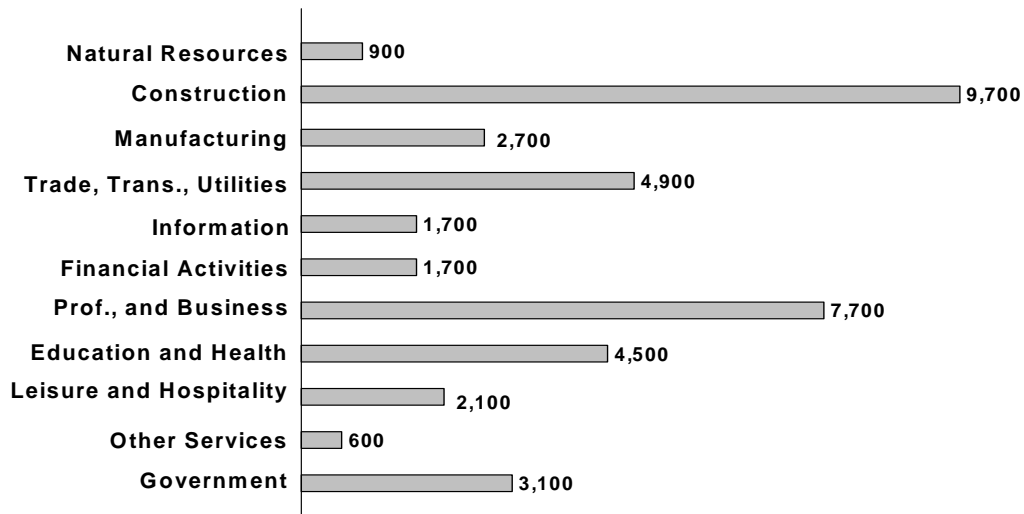


Utah Nonfarm Job Growth (Percent Change) October 2004 – 2005



Source: Utah Department of Workforce Services

Utah Nonfarm Job Growth (Numeric Change) October 2004 – 2005



Source: Utah Department of Workforce Services

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	October 2005(f)	October 2004	Percent Change	Sept. 2005(r)	August 2005(r)
State Total	1,163,323	1,123,703	3.5	1,157,450	1,142,958
Bear River	68,647	66,375	3.4	67,791	65,803
Box Elder	19,465	18,479	5.3	19,208	19,346
Cache	48,600	47,277	2.8	47,850	45,600
Rich	582	619	-6.0	733	858
Wasatch Front	764,346	741,891	3.0	761,079	758,239
North	192,252	187,081	2.8	191,180	190,756
Davis	97,839	95,296	2.7	97,485	97,418
Morgan	1,874	1,918	-2.3	1,888	1,901
Weber	92,539	89,867	3.0	91,807	91,437
South	572,095	554,810	3.1	569,899	567,483
Salt Lake	557,957	542,255	2.9	555,674	553,273
Tooele	14,138	12,555	12.6	14,225	14,210
Mountainland	195,351	187,296	4.3	194,121	187,972
Summit	17,915	16,395	9.3	17,907	18,211
Utah	171,271	165,323	3.6	170,006	163,969
Wasatch	6,165	5,578	10.5	6,207	5,792
Central	23,292	22,865	1.9	23,282	22,499
Juab	3,281	2,908	12.8	3,242	3,271
Millard	3,887	3,873	0.4	3,823	3,689
Piute	321	330	-2.9	317	321
Sanpete	7,218	7,108	1.5	7,158	6,431
Sevier	7,552	7,607	-0.7	7,647	7,654
Wayne	1,034	1,039	-0.5	1,096	1,134
Southwestern	71,735	67,269	6.6	71,081	68,610
Beaver	1,907	1,923	-0.8	1,879	1,929
Garfield	2,442	2,399	1.8	2,608	2,658
Iron	16,297	15,631	4.3	15,787	14,358
Kane	2,850	2,860	-0.4	3,159	3,215
Washington	48,239	44,456	8.5	47,649	46,450
Uintah Basin	18,436	17,228	7.0	18,422	18,102
Daggett	447	454	-1.5	504	533
Duchesne	5,925	5,594	5.9	5,769	5,880
Uintah	12,063	11,180	7.9	12,149	11,689
Southeastern	21,516	20,779	3.5	21,673	21,732
Carbon	9,044	8,741	3.5	8,913	8,750
Emery	3,857	3,784	1.9	3,872	3,899
Grand	4,544	4,341	4.7	4,709	4,819
San Juan	4,071	3,913	4.0	4,179	4,264

f = forecast r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 11/15/05